



## **CITY OF HAYWARD**

### **AGENDA REPORT**

AGENDA DATE 09/13/05

AGENDA ITEM 3

WORK SESSION ITEM \_\_\_\_\_

**TO:** Mayor and City Council

**FROM:** Director of Public Works

**SUBJECT:** Authorization for Acquisition of Sub-Lease from JT's Gas Station at the Northwest Corner of Hesperian Boulevard and West "A" Street in Conjunction with the West "A" Street Realignment Project

#### **RECOMMENDATION:**

It is recommended that the City Council adopt the attached resolution that authorizes the acquisition of the sub-leasehold interest from JT's Gas Station.

#### **DISCUSSION:**

The 2005-06 Capital Improvement Program (CIP) includes funds to realign West "A" Street from Hesperian Boulevard to Golf Course Road, including its intersection with Skywest Drive. The project will include new roadway construction; installation of new curb, gutter, and sidewalk; traffic signal installation and modification; removal and replacement of street lights; installation of landscaping and irrigation; utility relocation; and installation of a box culvert to replace a portion of the drainage channel located in the area of the new alignment.

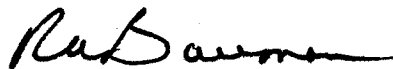
The construction of this project requires acquisition of the sub-leasehold interest from JT's Gas Station to facilitate adding a second left turn lane at the intersection of West "A" Street and Hesperian Boulevard, which is part of the planned West "A" Street realignment.

The property at the northwest corner of West "A" Street and Hesperian Boulevard is part of the Hayward Executive Airport and had been leased to RPD Vagabond Associates, LLC (RPD). RPD, in turn, had a long-term lease with JT's Gas Station. Council has already approved the purchase agreement for the master lease from RPD and transfer to Browman Development.

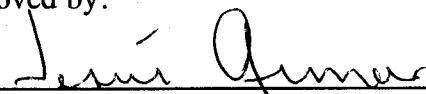
Since JT's Gas Station will not be able to continue to operate after the loss of its main fueling island and circulation area after the street widening, the City is required to pay the lease holder the fair market value of their lease. There are 14 years remaining on the lease. An appraisal prepared by Roessler Associates concluded the fair market value was \$1,050,000. After some negotiations, the lease holder has accepted this offer and is prepared to vacate the property on

October 1, 2005, which will permit deconstruction of the site and removal of the underground tanks in time for the planned construction of the West "A" Street project in Spring of 2006.

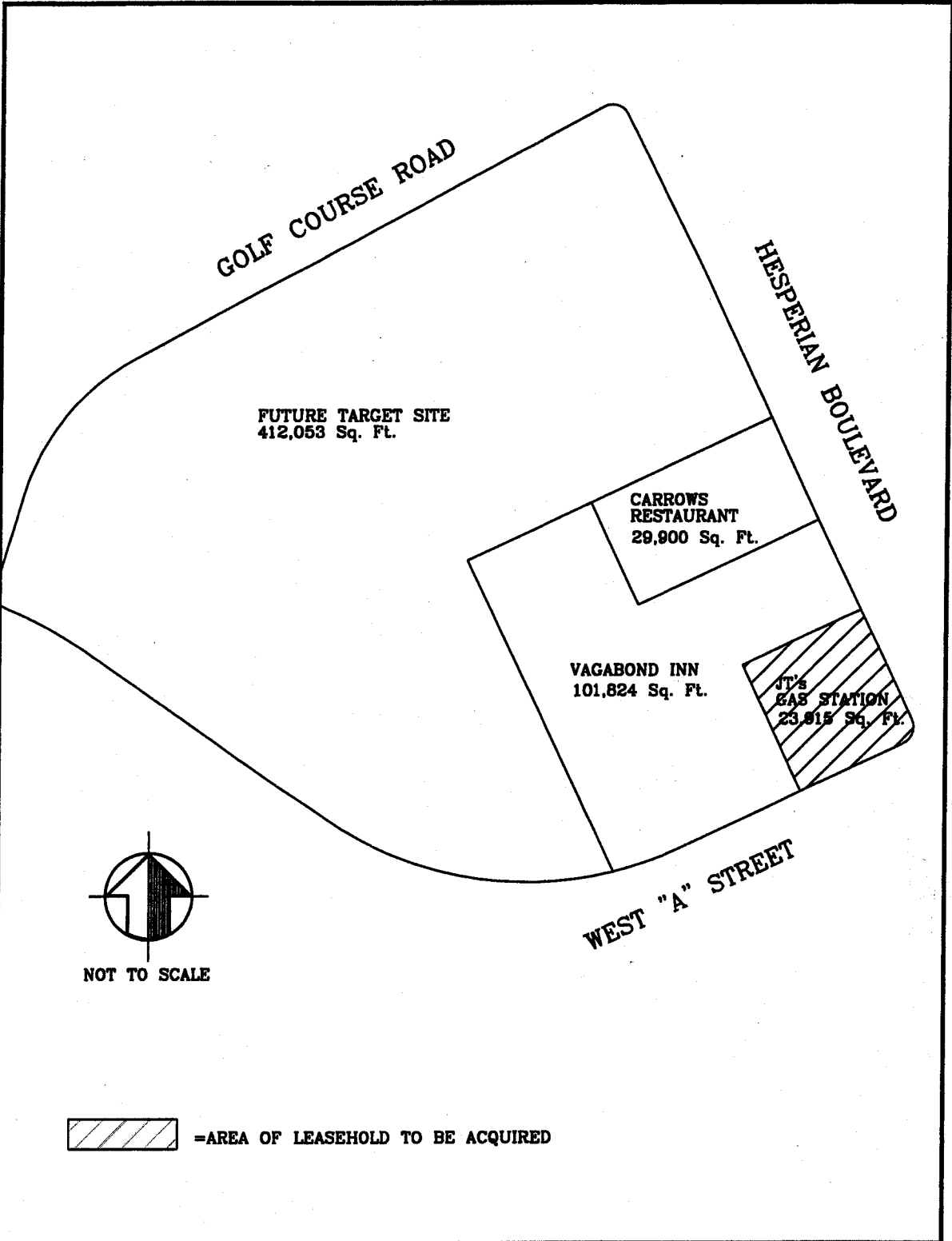
Prepared and Recommended by:

  
Robert A. Bauman, Director of Public Works

Approved by:

  
Jesús Armas, City Manager

Attachments: Exhibit A: Plat of Acquisition



			CITY OF HAYWARD ENGINEERING DIVISION		EXHIBIT "A"	DWG. NO. 05030	
			DRAWN BY: JNP	DATE 8-14-06		FILED	
			CHECKED BY: JNP	SCALE: NO SCALE			
			APPD. BY	APPROVED			
REV	DATE	BY	CITY ENGINEER	DIR. PUBLIC WORKS	SHT. 1 OF 1		

Exhibit A

**DRAFT**

**HAYWARD CITY COUNCIL**

**RESOLUTION NO. 05-**

**Introduced by Council Member \_\_\_\_\_**

**RESOLUTION AUTHORIZING THE CITY MANAGER TO  
AUTHORIZE THE ACQUISITION OF THE SUB-LEASE  
FROM JT'S GAS STATION IN CONJUNCTION WITH THE  
WEST "A" STREET REALIGNMENT PROJECT**

**BE IT RESOLVED** by the City Council of the City of Hayward that the City Manager is hereby authorized and directed to negotiate and execute on behalf of the City of Hayward the acquisition of the Sub-Lease and all related documents from JT's Gas Station for development of the property located at the northwest corner of Hesperian Boulevard and West "A" Street in conjunction with the West "A" Street realignment project.

**IN COUNCIL, HAYWARD, CALIFORNIA \_\_\_\_\_, 2005**

**ADOPTED BY THE FOLLOWING VOTE:**

**AYES: COUNCIL MEMBERS:**

**MAYOR:**

**NOES: COUNCIL MEMBERS:**

**ABSTAIN: COUNCIL MEMBERS:**

**ABSENT: COUNCIL MEMBERS:**

**ATTEST: \_\_\_\_\_**  
City Clerk of the City of Hayward

**APPROVED AS TO FORM:**

\_\_\_\_\_  
City Attorney of the City of Hayward